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MAY 25, 1964

WHAT PUBLIC LAW 480
HAS ACCOMPLISHED

ZANZIBAR AND
TANGANYIKA MERGE

MEXICAN MEAT AGREEMENT



FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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Calcutta youngster smilingly shoulders the bag of cornmeal that his family received under Title III of Public Law 480.

Contents

3 What Public Law 480 Has Accomplished in 10 Years

5 Storage Sends Prices of Extra Long Staple Cotton Soaring

5 U.N. Groups Work on World Food Standards

6 Tanganyika and Zanzibar Merge Into a Single Nation

8 Mexico Will Limit Its Meat Shipments to the United States

8 U.S. Expands Its Trade in Instant Coffee

9 Market Development

Intensive Baker Training Course Is Latest Step in U.S. Wheat's
Market Development in Japan

All-Cotton Men's Leisure Wear Being Promoted in Europe

"New" Wheat Prices Up

Speakers Announced for Upcoming U.S. Soybean Seminar in Tokyo

Tokyo Store Spotlights U.S. Fruit in May Exhibit

Dollar Payments for P.L. 480 Longterm Credit Sales Mount

11 World Crops and Markets (Commodity index on page 16)

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Secretary Freeman inspects U.S. wheat at Indian port.

What Public Law 480 Has Accomplished in 10 Years

Through this legislation the United States has moved billions of dollars worth of food, built new export markets, and helped the world's needy nations.

By ORVILLE L. FREEMAN
Secretary of Agriculture

Ten years ago this month, the 83d Congress enacted Public Law 480—the Agricultural Trade Development and Assistance Act of 1954.

Rarely has any governmental policy or program contributed so much to so many people and to so many diverse interests as this law, on which we have based our Food for Peace program.

It has enabled this nation to advance the interests of its own citizens as they have sought to meet their responsibilities to less favored peoples.

It has contributed to well-being for both our agriculture and commerce as it has helped relieve hunger and suffering among men, women, and children in underdeveloped parts of the world.

It has helped these emerging nations to an accelerated take-off in economic growth that will speed the day when they will become partners with us in world trade.

And by promoting higher standards of living for people going through the revolution of rising expectations, it has promoted free institutions among these people, thus contributing materially to American hopes for security and peace.

Meets needs of our age

Under Public Law 480, we have developed programs particularly appropriate to meeting needs that arise out of the revolutionary changes that characterize this period in which we are now living.

One of these changes, brought about by the scientific and technological revolution, is such a vastly increased potential for production of material goods that we can foresee an age of abundance in which we would produce enough food, clothing, and shelter for all. Nowhere is this productive abundance demonstrated more dramatically than in American agriculture.

Our farms are the most productive in the world, and their productivity continues to increase. In the past 10 years, we have reduced our cropland by more than 50 million acres, but we still produce more than our commercial markets can absorb.

During this same period, P.L. 480 has enabled us to augment our commercial sales by moving 120 million tons of American farm products to foreign consumers. This has included 3 billion bushels of wheat—which is more than two of our bumper crops. It has included 10 million bales of cotton—about two-thirds of a year's production—as well as 100 million bags of rice, 6 billion pounds of vegetable oil, and substantial amounts of feed grains, tobacco, and dairy products.

Another change that is characteristic of the age in which we live is the emergence—from colonialism and from relatively primitive economic development—of scores of new nations, whose people are reaching desperately for the advantages and higher levels of living that accompany modern economic progress. Hunger and malnutrition abound among the people of most of these emerging nations—yet too often they have not reached the stage where they can either produce or purchase enough food to meet their requirements.

Under P.L. 480 we have, from its inception, carried out programs to provide food for the hungry and to meet emergencies. We have done this so effectively that famine no longer threatens the Free World. And further, food supplies provided under this program have been effective in forestalling inflation in nations moving toward industrialization.

A third characteristic of our age is the unprecedented degree to which the peace, freedom, and prosperity of all the nations of the world depend upon their relationships with each other. Our Food for Peace program has provided us with an unparalleled opportunity to strengthen these relationships—and also to strengthen our side of the world in the ideological struggle with communism.

U.S. incomes have gained

In the 10 years that P.L. 480 has operated we have achieved some particular gains. Mention has already been made of the great volume of farm commodities that have been exported under this law and which have relieved the U.S. Government of the cost of storing them. A notable gain has been in the matter of incomes.

The pressure for an even more dramatic cutback in our farm production would have occurred if no such program had existed. Because of the additional market outlets which it has represented, it was easier for us to improve farm income. A few facts and figures help us to realize the significance of these markets:

During 1963, exports of American farm products under P.L. 480 totaled \$1.6 billion, the highest annual level since the program began. These shipments accounted for 30 percent of our total agricultural exports and represented the production from more than 25 million acres.

Our exports under P.L. 480 last year represented 75 percent of all wheat exported, 54 percent of total vegetable oil exports, 53 percent of total rice exports, and 33 percent of our total exports of cotton. One needs only to review figures like these to recognize what would happen to markets for farm commodities without P.L. 480.

However, it is not only the American farmer but a large part of the American business community which has benefited directly from operations under this law. Hundreds of thousands of workers have owed their jobs to the processing, handling, transportation, and related services needed to export these commodities. Also, local businesses across the nation have gained from the \$40 billion a year that our farmers spend for fertilizer, machinery, fuel, and other supplies and services.

Expansion of commercial markets

One of the most significant gains that can be attributed to P.L. 480 has been the expansion of our commercial markets. This has been done in three ways:

First, programs under P.L. 480 have made it possible for us to introduce our food products to people who were not accustomed to them. For example, Japan's large dollar purchases of wheat today can be traced in important part to school lunches served to Japanese children only a few years ago. We are now providing school lunches for 40 million children, and supplemental feeding for 16 million infants and preschool youngsters, in over 100 countries.

Secondly, Title I funds (those accruing from sales of our products for local currencies) have been used for market development. Before P.L. 480 very little of such work was done by U.S. agricultural producers and trade

associations. Today, with these funds available, there are 44 U.S. trade associations and 728 nongovernmental employees working on market development projects in 67 foreign countries, and virtually all U.S. export commodities are represented in these joint projects. In 1963, market development expenditures totaled \$15.7 million.

The third way in which the operation of P.L. 480 has contributed to developing markets abroad, and by far the most important in the long run, has been the transformation of some of the developing nations from being recipients of aid to being partners in commercial trade.

Japan is an important example. Officials of that country credit our aid program with bringing their country back from the brink of starvation, putting a brake on inflation, preventing incipient social revolution, paving the way for the reconstruction of Japanese industry, and helping to revolutionize eating habits.

Today the Japanese consume twice as much wheat, oil, and fats, four times as much meat, and three times as much milk as they did before the war. Japan is now our No. 1 purchaser of U.S. farm products for dollars. Other nations, such as Spain, Israel, and Taiwan, are becoming commercial customers too, and more will follow.

Title IV eases transition

A nation in a weak foreign exchange position does not, of course, suddenly transform itself into a full-fledged cash dollar customer overnight. The transformation is a gradual one. Title IV of the Act has been an effective program for bringing about this transition; under it we have supplied U.S. farm products to the stronger developing nations on a dollar sales basis, with repayment over a protracted period of time and at favorable rates of interest.

From July 1961 through December 1963, 28 Title IV agreements were entered into with 17 countries, for a market value of \$176.8 million. In 11 countries—Bolivia, Formosa, Portugal, Yugoslavia, Ethiopia, Chile, Colombia, Peru, Ecuador, Syria, and Paraguay—the agreements represented a shift-over from foreign currency sales under Title I, or the use of Title IV in combination with Title I.

Summing up the 10 years

Many dramatic and inspiring examples could be given of the progress and development, the economic gains, and the contributions to the security and well-being of men, women, and children that have resulted from our Food for Peace program. The figures themselves speak clearly of what we have accomplished through the provisions of this law over the past 10 years.

Under Title I, the largest component, we have entered into a total of 376 sales agreements, with 47 countries, for an export market value of nearly \$10 billion.

Under Title II, we have moved farm products in the amount of \$1 billion to 69 countries, mainly in the form of donations which are used both to support economic development and to feed the victims of earthquakes, floods, drought, and other disasters. Also, through Title II we are carrying out the U.S. pledge to the Food and Agriculture Organization's World Food Program, now entering its second year.

Title III has permitted us to effect a constant and very helpful movement of American foods to foreign needy people through the auspices of registered U.S. voluntary relief agencies and the United Nations Children's Fund. During the last decade we have made available to such

agencies a total of \$1.4 billion worth of food. Seventy-seven million persons in 134 countries and territories are currently receiving this food.

Title III also authorizes the barter program, a helpful means of exchanging our farm abundance for needed supplies and materials from abroad without expenditure of our tight foreign resources. A total of \$1.6 billion worth of U.S. farm products has been exchanged for foreign products in this manner.

This is an impressive record and one that the American

people can be proud of. But the need for this program goes on; it is greater today than it was 10 years ago, when the law was first enacted as a means of developing constructive use for U.S. agricultural surpluses.

The pattern of growth that projects a doubling of the world's population by the year 2000 calls upon the developing nations to do all they can to help themselves, and on the more developed nations to give them tangible support as they try to improve their capabilities. P.L. 480 has been a positive expression of that support.

Storage Sends Prices of Extra Long Staple Cotton Soaring

Ever since the spring of 1963, world import prices of extra long staple cotton have been rising sharply. Despite the record 1962-63 world crop, there was not enough to go around. This spring, the situation is even tighter.

ELS—the type of cotton with a staple length of 1¾ inches and longer—is produced and exported chiefly by the United Arab Republic (Egypt), Sudan, and Peru, and used in the manufacture of top-quality yarns and fabrics. Though it accounts for only 5 percent of world production and consumption, it represents 10 to 12 percent of the volume of world trade in cotton and around 15 percent of the value. And it provides nearly two-thirds of the UAR's total foreign exchange earnings, more than half of Sudan's, and about a fifth of Peru's.

This past year, in sharp contrast with the stability of other cotton prices, ELS prices have zoomed upward. Official export prices of Egyptian have been raised 12 times since April 1963; prices of Sudanese and Peruvian soared this April after moderate increases earlier.

These rises have been reflected on the import market. This April, Egyptian Fully Good Grade averaged 20 percent higher than a year ago; Peruvian Pima was 25 percent higher; Sudanese Sakel, G4 Grade, was up 46 percent.

What lies behind these abrupt price rises is a record import demand, plus smaller 1963-64 crops and the unavailability of the U.S. crop for export.

Not only for manufacture, but to replenish stocks, importers in both Western and Communist consuming countries put heavy pressure on the supplies that producing countries had on hand for export. In Egypt, advance export sales of the 1963-64 crop forced the government to limit exports as early as September, before the harvest began. By April 1964, exportable supplies from that harvest were nearly all gone, with the next crop not due until October.

That 1963-64 Egyptian crop was considerably below the previous season's. So was the Sudanese crop, which was reduced in quality as well. In Peru, the crop was also smaller than in 1962-63. Meanwhile, the United States moved up to third place among world producers, with a record crop of 163,000 bales in 1963.

The United States, however, with domestic price supports that are ordinarily above the world level, has exported very little of its ELS (American Egyptian) in past years. In fact, more than half its consumption of ELS—which averaged around 153,000 bales per year during the past 4 years—has been imported, primarily from the UAR and Peru.

In sharp contrast with the ELS scarcity in other coun-

tries, the current season's U.S. supply reached a 34-year high of over 383,000 bales as a result of larger crops and of some decline in consumption from the long-time record of 175,000 bales in 1961-62. This surplus supply was needed in Western consuming countries this season. Recently, the U.S. price support level for the 1964-65 crop was reduced by 3.92 cents per pound, to keep the price in line with upland prices under the new U.S. cotton legislation. This action will also reduce the disparity of U.S. prices of ELS with those of other growths in domestic and foreign markets.

Some relief was provided, too, by the competitive-bid export sale during the past year of some 62,000 bales of Egyptian and Sudanese ELS cotton formerly in the U.S. national stockpile. But the 1964-65 outlook is for continued tight supplies abroad. Foreshadowing this probability are unfavorable crop prospects in Peru and a delay in forward export sales of the Egyptian crop to be harvested this fall.

—R. T. BAGGETT, *Cotton Division*

U. N. Groups Work on World Food Standards

Representatives from more than a dozen countries will gather in Washington, D. C., this week for the first session of two worldwide committees that are to develop international standards for food hygiene and for processed fruits and vegetables.

First of the groups to meet will be the Export Committee on Food Hygiene, for 2 days beginning May 27. The second will be the Export Committee on Processed Fruits and Vegetables, May 29 and 30. The United States has been designated to chair the two committees.

These committees as well as several others were formed by the Codex Alimentarius Commission under the food standards program jointly sponsored by the Food and Agriculture Organization of the United Nations and the World Health Organization. The Commission is made up of member nations or associate members of FAO and WHO interested in food standards.

The basic purpose of the Commission is to simplify and harmonize international food standards work by allocating priorities in the development of standards, by coordinating and supplementing the work of other bodies in this field, and by providing for finalization of draft standards at the government level and their publication in a consolidated Codex Alimentarius. The overall objective is to set up standards that will facilitate trade and also protect the interests of consumers in wholesome products.

national product and for over 80 percent of its total export earnings. The bulk of the population is engaged in agriculture, and 90 percent of the land under cultivation is devoted to grains and food crops, produced mainly on a subsistence basis for local consumption.

Tanganyika's three big export crops are sisal, cotton, and coffee. In 1962, they accounted for 55 percent of the country's total exports, valued at about \$151 million. Sisal, grown mostly on European-owned plantations, provided one-fourth of this total.

The United States is Tanganyika's third best customer, in 1962 taking about \$12 million in agricultural products. (The United Kingdom is first, West Germany second.) It is the leading customer for its coffee, buying over 10,000 metric tons valued at \$6 million, in 1962.

The country's agricultural imports this same year totaled \$22.4 million, which represented slightly over 19 percent of all imports. Kenya-Uganda represented the biggest supplier (28 percent). The United States ranked fourth, with shipments totaling \$6.4 million—principally grains and grain products, canned fruits and vegetables, and dairy products.

Zanzibar's clove trade

Zanzibar's economic life depends largely on the export of cloves. Originally, the trees grew only in the East Indies, but some were smuggled into Zanzibar, and by the late 1800's the country was shipping its cloves abroad. Ever since, Zanzibar's prosperity has rested almost entirely on the world's demand for this spice.

Zanzibar's agricultural exports in 1962 totaled \$16 million. Four-fifths of these consisted of cloves, and most of the remainder of coconut products. Indonesia, where cloves are used in the manufacture of cigarettes, was the leading buyer of Zanzibar's agricultural products. India ranked second with 12 percent, and the United States and the United Kingdom tied for third place with 6 percent. The United States is Zanzibar's major market for clove oil; in 1962, it bought 63 percent of its oil shipments.

Below, loading sisal onto a narrow-gage railway used on a Tanganyikan plantation. Right, African growers with their coffee crop spread out in the tropical sun to dry.



Although Zanzibar normally has a favorable balance of trade, for the last 2 years its imports have exceeded its exports. In 1962, imports totaled \$18 million for both agricultural and nonagricultural products. The chief suppliers were the United Kingdom, followed by Tanganyika, Mozambique, and Japan. Imports from the United States were small, representing only \$250,000, or 1.7 percent of total imports.

Two-fifths of what Zanzibar spends on imports goes for foodstuffs. Rice is the major commodity imported and, depending upon the amount of local production, varies from 5,000 to 12,000 tons a year. Pakistan and Burma are the two leading suppliers. Sugar and wheat flour are important agricultural imports—about 7,000 tons annually. Fats and oils, wheat meal, corn flour, and vegetables are also purchased abroad.

Agricultural plans for the future

The Republic's long-term farm policy will probably follow that laid down by President Nyerere for Tanganyika, taking, of course, Zanzibar's problems into consideration. (Nyerere is President of the new Republic, Karume First Vice President.) In general, the policy is aimed at increased production and acreage of the crops sold on world markets—namely, sisal, cloves, cotton, coffee, cashew nuts, and coconut products. It is also directed toward greater crop diversification (especially important for Zanzibar), more efficient marketing of farm products, and quality improvement of specialized export crops and African livestock. To accomplish these goals the Republic's resources—chiefly land and labor—will be more efficiently employed.

As for the Republic's import policy, at the present time except for the special licenses required for corn, rice, wheat, flour, and sugar coming from countries other than



Kenya and Uganda, the buying of agricultural products is generally unrestricted. Wheat is imported from the United States duty-free, although under the East African Common Market, of which the Republic is a member, a 25-percent ad valorem tax may be charged. Import taxes of \$2.24 per hundredweight, or 25-percent ad valorem, whichever is larger, are levied on dry milk, and a 25-percent tax is charged on edible oils.

Foreign capital needed

On May 12, President Nyerere announced a 5-year development plan for Tanganyika, calling for an expenditure of \$688.8 million. A plan for Zanzibar will come later.

As a united nation, the Republic counts on receiving the same economic help that Tanganyika, first as a territory and then as an independent country, has had. The United Kingdom has been the major contributor of funds and

technical assistance for agricultural and economic development of the area. Supplemental help has come from the United States, West Germany, and other Western countries.

The Republic recognizes that there is great need for foreign capital and has intentions of creating a favorable environment for credit and investment. If private foreign investments are channeled through investment authorities established by agreement between governments, then political objections to direct investments would be diminished. Grants and loans from foreign governments and international agencies will also be necessary to finance overhead capital projects and assist the Republic in meeting the service charges on its external debt.

Foreign capital has played an important role in the area's agricultural development in the past and could play a greater role in the future.

Mexico Will Limit Its Meat Shipments to the United States

Mexico has now joined Australia, New Zealand, and Ireland in a commitment to limit meat shipments to the United States during 1964 and succeeding years. The U.S. Departments of State and Agriculture announced on May 15 the signing of an agreement under which Mexico's exports of beef and veal to the United States this year will be held at a level 9.4 percent below those of 1963.

The new agreement covers beef and veal in all forms other than live cattle and canned, cured, and cooked meats. Mexican exports to the United States will be limited to 29,600 long tons (66.3 million pounds) for 1964; to 30,700 long tons (68.8 million pounds) for 1965; and to 31,800 long tons (71.2 million pounds) for 1966.

In recent years, U.S. imports of beef and veal from Mexico have been as follows:

	<i>Mil. lb.</i>		<i>Mil. lb.</i>
1958 -----	75.0	1961 -----	53.4
1959 -----	48.9	1962 -----	59.3
1960 -----	39.1	1963 -----	73.0

The limit specified for 1964 represents the average level of U.S. imports of beef and veal from Mexico in 1962 and 1963. In the absence of an agreement, it is estimated that these imports would have been at least as large as in 1963.

In 1965 and in 1966, Mexico's exports to the United States will be allowed to grow by 3.7 percent annually over the limit set for 1964—the same rate at which consumption is expected to grow in this market. The agreement provides for a review of this growth factor every 3 years and for an appropriate adjustment of the quota.

Mexico agrees to use its best efforts to prevent the increase of fresh or chilled beef and veal shipments relative to those of frozen beef. The purpose of this provision is to prevent significant shifts from beef used for manufacturing to beef used for direct consumption in retail and institutional outlets.

The agreement is of indefinite duration, but either party may terminate it on at least 6 months' notice before the end of any calendar year. The two governments state that they favor the negotiation of international arrangements leading to the expanding access of meat-exporting countries to world markets. The new agreement could be incorporated into such arrangements.

Although live cattle are not included in the agreement, the subject of live cattle exports from Mexico to the United States was discussed. Mexican cattle are fattened and slaughtered in the United States for addition to total meat supplies here. For the first 6 months of the current Mexican cattle year (September 1963-February 1964), U.S. imports of Mexican cattle were down to 237,000 head compared with 528,000 for the same period the year before. The total for the cattle year is expected to be well below the 770,000 head imported in 1962-63.

The agreement with Mexico is along the same lines as the agreements concluded with Australia and New Zealand on February 17 and with Ireland on February 25. These four countries comprise all the principal U.S. suppliers of the products covered by the agreements. Together, they account for 90 percent of total U.S. imports of these products. Mexico accounts for about 7 percent.

U.S. Expands Its Trade in Instant Coffee

U.S. imports and exports of instant (soluble) coffee increased in 1963.

As in the previous year, exports were more than double imports. Most went to the traditional markets of Japan, Canada, and the United Kingdom. Canada also, however, was added to the list of primary U.S. suppliers, joining Nicaragua, El Salvador, Mexico, and Guatemala.

While trade in instant coffee has been increasing, it still accounts for only a small part of the coffee roasted for use in instant, as the figures below indicate.

Year	Imports	Exports	Roastings for manufacture of instant	
			Quantity	Percent of total roastings
	<i>1,000 lb.</i>	<i>1,000 lb.</i>	<i>1,000 lb.</i>	<i>Percent</i>
1954 -----	606	728	271,430	11.7
1955 -----	136	1,381	307,277	12.3
1956 -----	1,519	3,067	415,347	15.5
1957 -----	3,335	4,800	441,273	16.4
1958 -----	3,755	4,479	461,908	16.7
1959 -----	4,698	6,337	495,241	17.3
1960 -----	4,695	6,789	528,972	18.3
1961 -----	3,506	9,542	530,427	18.0
1962 -----	4,126	12,980	542,728	18.1
1963 -----	6,300	14,492	520,374	17.2

Intensive Baker Training Course Is Latest Step In U.S. Wheat's Market Development in Japan

In a move to stabilize and increase record-setting U.S. wheat sales to Japan, the U.S. wheat industry last month embarked on an intensive regional program of training the future leaders of Japan's baking industry on the proper use of U.S. wheat blends.

U.S. wheat sales to Japan hit an all-time high of 1.7 million metric tons in the Japanese fiscal year ending March 31, topping Canada's exports for the first time since 1957. At \$95 million, the export value was up \$41 million from the previous year.

Competitive pricing and quality control gave U.S. wheat the edge over both Canada's and Australia's, chief contenders for Japan's larger wheat market last year when the country harvested a below-normal wheat crop.

Also credited with a key role in record U.S. wheat sales was the market development program of the U.S. wheat industry in Japan, which over the past 5 years has put major emphasis on technical guidance to Japan's large baking and milling con-

cerns on the use of U.S. wheat.

The Bakers Training Course is one more step in strengthening long-range prospects for U.S. wheat in the Japanese market. It focuses on middle level personnel headed for top positions in medium-and small-sized bakeries, which will be the first to feel the squeeze of competition as Japan's baking industry moves toward more automation and mechanization.

Two bakeries have adopted the continuous baking process and others are expected to follow suit. The process, used in the United States for about 10 years but an almost entirely new concept in Japan, requires wholesale re-vamping of plant facilities as well as retraining technical personnel.

During the next 12 months, some 80 Japanese bakers, technicians, and supervisors will attend 11 training courses held in 10 key Japanese cities. Each course involves 600 hours of instruction over a 3-month period. The first got underway in Hiroshima April 17, following the signing of the

market development agreement between the sponsors: U.S. Western Wheat Associates and FAS, the All Japan Bakers Association, and the Baking Association of Japan. Living expenses are being provided by the students.

In particular, the training program aims to demonstrate that flour containing 50 percent U.S. Hard Winter Wheat (HW) and 50 percent spring wheat results in bread products superior to those using only spring wheat flour. While Canadian spring wheat continues to be the principal ingredient in Japanese bread, U.S. Hard Winter is gaining wider acceptance, accounting for almost half the total U.S. wheat sales to Japan last year. In 1960, before U.S. promotion began to emphasize HW, exports of this wheat type were insignificant.

The lecturers—Japan's leading milling and baking technicians — will stress handling, performance, and production of flour blends containing 50 percent HW. They will cover these subject areas: flour blending, buying and quality control, laboratory analysis, plant maintenance, and engineering.

Last month also, Wheat Associates sponsored market development trips to the United States for seven of Japan's top bakers and a group of leading Japanese cereal chemists.

Round-the-year promotional activities have also included biscuit, noodle, and other baking training courses, market research, and a variety of other technical services.

"New" Wheat Prices Up

Initial experience in wheat futures trading in three major U.S. grain trading centers shows that 1 cent more per bushel is being paid on the domestic market for wheat sold under revised U.S. grain standards (effective June 1) than for wheat sold under old standards.

Although the effect on net export prices has yet to be determined, wheat sold under the new standards—which reduce the amount of nonmillable materials permitted in various wheat grades—is expected to be far more attractive to foreign purchasers.

All-Cotton Men's Leisure Wear Being Promoted in Europe



Now underway in 20 European countries is consumer promotion of cotton wear by some 30 member firms of the International Fashion Council whose all-cotton men's leisure wear collection was shown to garment manufacturers and press in Italy earlier this year (above), and in Spain, the Netherlands, Germany, and Belgium. Cotton Council International works with IFC in these programs.

Speakers Announced for Upcoming U.S. Soybean Seminar in Tokyo

Five leading U.S. specialists in livestock and human nutrition will be the keynote speakers at the U.S. soybean seminar to be held at the Tokyo Trade Center, August 24-September 4. The seminar will run concurrently with a 19-day soybean exhibit to open August 24, both of which will be sponsored by the American Soybean Association in cooperation with the Foreign Agricultural Service.

Invitations have gone out to major Japanese soybean importers, nutritionists, members of food and feed firms, research centers, and institutions. Heavy attendance at the two Trade Center events is anticipated.

Pointing up the need for this continued cultivation of the Japanese soybean market are the stepped-up efforts of Communist China in recent years to regain its prewar stature as Japan's chief soybean supplier. Though Japan today gets most of its soybeans from the United States—a record 48 million bushels in 1963—imports of Chinese soybeans last year reached a new postwar high of 8.3 million bushels.

The forthcoming Trade Center show is seen strengthening the competitive position of U.S. soybeans by providing for an exchange of technical know-how between U.S. and Japanese soybean specialists.

The five U.S. speakers and their topics to be presented at the seminar are:

Willard C. Lighter, Vice President of Central Soya Co., Inc., Chicago... "Qualities of Various Soy Protein Products and Essential Processing Procedures" and "The Uses for Soy Flour, Soy Protein Concentrates and Isolated Soy Proteins in Human Nutrition."

R. G. Purnell, President of Purnell's Pride, Inc., Tupelo, Miss. ... "The Use of Properly Processed Soybean Meal in Efficient Broiler and Egg Production" and "The Importance of Good Breeding Stock, Management, Feed Conversion, and Marketing in Successful Broiler Production."

E. M. Deck, Vice President of Anderson, Clayton & Co., Dallas ... "Soybean Oil in Salad Dressings, Mayonnaise, and Similar Products" and "Hydrogenated Vegetable Oils for Deep Fat Frying."

Charles H. Struble, Technical Director of the Miami Margarine Co., Cincinnati ... "High Quality Table Spread from Soybean Oil" and "Combinations of Hydrogenated and Liquid Oils in Food Products."

Raymond O. Simmons, Research and Development Dept. of Hunt

Foods & Industries, Fullerton, Calif. ... "Uses and Combinations of Vegetable Oil in Human Nutrition" and "Merchandising Oil and Oil Products."

The soybean exhibit, featured in the main display area at the Center, will consist of commercial booths of at least 15 U.S. firms, manned by their representatives or Japanese agents. The products exhibited and demonstrated will include soybean meal and flour, protein concentrates, and other processed foods.

A special attraction will be demonstrations on the uses of soy products in human foods, to be presented September 7-11 by Mrs. Dorothea Van Gundy Jones, nutritionist of Loma Linda Foods, Riverside, Calif.

Dollar Payments for P.L. 480 Longterm Credit Sales Mount

Export shipments of agricultural commodities under the Food for Peace program have begun to earn dollars for the United States in "transitional" markets abroad. These new dollar markets are in countries which are making economic progress but are not yet able to satisfy import requirements exclusively through commercial trade.

The new U.S. dollar earnings represent receipts from operations of Title IV of Public Law 480, which provides for longterm dollar credit sales of U.S. agricultural commodities to governments of friendly nations abroad and to U.S. and foreign private trade entities.

Dollar payments for Food for Peace shipments under government-to-government sales provisions of Title IV have begun to build up during the past six months. Latest available figures show that eight countries have paid the United States \$4,621,537 for agricultural commodities sold under the program. Of the payments received, \$2,861,331 represents repayment of principal and \$1,760,206 payment of interest.

Countries which have begun paying these longterm dollar credit loans include the Republic of China, the Dominican Republic, the Republic of El Salvador, Ethiopia, Peru, Portugal, Liberia, and Yugoslavia.

Tokyo Store Spotlights U.S. Fruit in May Exhibit



Sparked by interest aroused by the Tokyo Trade Center's recent fruit show was this heavily advertised, 6-day U.S. fruit show at Tokyo's Hankyu department store earlier this month. Over 300 different U.S. fruit items were exhibited.

Australia, U.K. Agree on Marketing of Flour

As of July 1 this year, Australia will be permitted to sell up to 55,000 tons of wheat flour a year in the United Kingdom.

The new marketing arrangement complements the recent agreement on cereals and is similar to those already completed by the United Kingdom with Canada and the United States. Objective of these arrangements, according to the Australian Minister for Trade and Industry, is to secure equity between the main U.K. suppliers and to ensure that flour imports at unduly low prices will not defeat the objective of the minimum import prices for wheat in the U.K. market.

Australia exported 52,700 tons of flour to the United Kingdom in 1961, 57,300 tons in 1962, and 45,900 tons in 1963.

Abundant Rainfall in Canadian Prairie Provinces

The timely arrival of rain in Canada's Prairie Provinces has dispelled farmers' fears of a moisture shortage and provided favorable conditions for the seeding of Canada's largest wheat acreage on record. Also, heavy demand for fertilizer indicates that high wheat prices have stimulated farmers not only to expand their acreage but to increase their yields.

Before the rain—which lasted 4 days and spread 1 to 5 inches over all the Prairie Provinces, agricultural officials had been concerned about the lack of moisture in this important area. Snowfall during the winter months was light in most areas, and April rainfall in most districts was below normal. Pictures and reports were appearing frequently, telling the story of soil drifting from the effects of low moisture supply.

Argentina Expects Good Outturn of Grain

According to the first official estimate, Argentine production of corn is set at 5 million metric tons and that of grain sorghum, at 1,600,000. These are 15 percent and 22 percent, respectively, above last year's very poor crops.

It is generally felt—and the official report also indicates—that the estimate for corn may be too pessimistic. The portion of the crop planted late, which accounts this year for a much larger percentage of total outturn than normal, is in good physical condition. If weather conditions in the latter part of the season are slightly more favorable than usual, estimates on the size of the crop may well be revised upward. Trade sources are still predicting a crop of between 5.5 million and 6 million metric tons.

Spain Triples Feed Grain Imports in 1963

During 1963, Spain imported 1,325,499 metric tons of feed grains against only 409,678 in 1962—an increase of 224 percent. More than half of these came from the United States.

Accounting for most of the grain were corn and barley—the major imports—up 214 percent and 250 percent respectively to 960,501 and 362,749 tons. An impressive gain

was also recorded for sorghum imports, which rose from 74 tons in 1962 to 2,197. Takings of oats, however, at 50 tons, were only 10 percent of their 1962 level.

Mozambique Producing More Rice for Export

Mozambique's milled rice exports, which in 1963 reached a record 7,285 metric tons, are expected to continue climbing steadily in the next few years. All imports of rice are prohibited unless a shortage arises.

MOZAMBIQUE'S COMMERCIAL PRODUCTION AND TRADE OF MILLED RICE, 1960-61 TO 1964-65

Year ¹	Production ²	Imports	Exports	Production minus exports
	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons
1960 -----	23.4	0.5	0.1	³ 23.8
1961 -----	39.0	—	.8	38.2
1962 -----	42.3	—	3.3	39.0
1963 -----	48.8	—	7.3	41.5
1964 -----	55.0	—	12.0	43.0

¹ Production based on crop year beginning in November. ² Rough rice converted to milled equivalent at 65 percent. ³ Crop minus net imports.

Compiled from trade sources and official trade statistics.

Mozambique's commercial rice production—accounting for about 60 percent of total output—was at a record level in 1963. This is chiefly due to substantial acreage increases resulting from rapidly expanding domestic consumption and generally improved marketing and cultural practices.

Despite heavy damage to the crop in the Maputo area of Sul do Save, commercial production of rough rice in 1963-64 (November-October) is estimated at 75,000 metric tons—up 10,000 tons from the preceding year. In 1964-65, it is expected to rise another 13 percent to 85,000 tons. If this volume is realized, the quantity available for export in 1965 would be about 12,000 tons.

Helping to accomplish these gains is the Mozambique Cereals Institute, a quasi-autonomous statutory organization, responsible for all policy affecting rice production and marketing. The Institute has introduced better cultural methods, extended technical assistance, and improved producer prices, as well as providing a guaranteed market.

As a result, more and more European and African farmers are turning to rice production. This is particularly evident in the districts south of the Save River and in Zambezia. Overall acreage expansion and better yields may be expected to continue in the future.

South African Oilseed Production Declines

The peanut crop now being harvested in the Republic of South Africa is unofficially estimated at 177,000 short tons, down 10 percent from the revised estimate of 196,-696 tons for last year. The estimated decline reflects dry weather during the growing season. Exports of peanuts for crushing gained markedly in the marketing season that began May 1, 1963, while peanut oil exports were only slightly above the 1962-63 level. Shipments moved largely to the United Kingdom, Italy, and the Netherlands.

The current sunflower crop now being harvested (April-July) is unofficially estimated at 98,100 tons, or about 9 percent below the 108,100 tons of a year ago. Exports, all as seed, from the 1962-63 crop marketed in 1963-64 declined significantly. Major destinations were West Germany, the United States, the United Kingdom, and the Netherlands.

SUPPLY AND DISTRIBUTION OF THE REPUBLIC OF SOUTH AFRICA'S PEANUTS AND SUNFLOWERSEED

Item	Peanuts ¹			Sunflowerseed		
	1961-62	1962-63 ²	1963-64 ³	1961-62	1962-63 ²	1963-64 ³
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
SUPPLY						
Stocks, May 1 -----	—	6.9	—	—	0.1	—
Production -----	193.1	136.3	196.7	123.7	108.4	108.1
Adjustment -----	— ⁴ + .4	— ⁴ .4	— ⁵ .8	— ⁵ 1.9	— ⁵ 2.0	—
Total supply -----	193.1	143.2	196.3	124.5	110.4	110.1
DISTRIBUTION						
Exports:						
Nuts and seed -----	92.4	48.3	100.0	4.0	6.1	4.2
Oil ⁶ -----	35.6	20.1	21.5	10.6	1.7	—
Domestic consumption:						
Nuts and seed -----	12.1	13.7	14.0	—	—	—
Oil ⁶ -----	34.1	45.7	44.6	106.8	99.7	102.9
Feed, seed, and waste	12.0	15.4	16.2	3.0	2.9	3.0
Stocks, April 30 -----	6.9	—	—	.1	—	—
Total distribution --	193.1	143.2	196.3	124.5	110.4	110.1

¹ Shelled basis. ² Revised. ³ Partly estimated. ⁴ Taken by Oil Board from the incoming 1963-64 crop to satisfy the 1962-63 market. ⁵ Additional seed purchased from producers for export by permit. ⁶ Nut and seed basis.

Compiled from official and other sources.

Argentine Olive Oil Exports Decline

In 1963, Argentine exports of edible olive oil totaled 7,970 short tons, compared with 10,153 in 1962. Production, although small (8,000 to 12,000 tons), and exports have both trended upward in most recent years.

The major destination for Argentine olive oil exports has been Italy, although takings by Brazil and the United States have increased in recent years.

ARGENTINE OLIVE OIL EXPORTS, 1959-63

Country of destination	1959	1960	1961	1962	1963 ¹
	Short tons	Short tons	Short tons	Short tons	Short tons
United States -----	15	623	—	263	413
Mexico -----	—	—	—	—	86
Brazil -----	823	508	626	1,393	2,364
Uruguay -----	30	18	—	11	—
Denmark -----	—	—	—	—	—
France -----	—	138	—	—	—
Germany, West ---	—	—	—	—	—
Italy -----	2,145	11,258	—	8,486	5,105
Australia -----	62	8	—	—	—
Others -----	3	52	2	—	2
Total -----	3,078	12,605	628	10,153	7,970

¹ Preliminary.

Compiled from *Comercio Exterior*, 1959-62, and *Frutos del Pais*, 1963.

Malay, Singapore Exports of Copra, Coconut Oil

Net exports of copra and coconut oil from the Malay States and Singapore totaled 23,099 long tons, oil equivalent basis, in 1963—more than twice the 1962 volume.

The Malay States and Singapore, a net importer of copra, exported 44,754 tons of copra in 1963 against 34,064 in 1962. The main destinations were India—ac-

counting for 63 percent of the total—Japan, China (Taiwan), and the Netherlands. Imports decreased almost one-fourth to 62,544 tons, largely because of reduced supplies from Indonesia.

The area is a net exporter of coconut oil, importing only insignificant quantities—2,146 tons in 1963, compared with 1,763 in 1962. Exports decreased by 13 percent to 34,485 tons. The main destinations were the Republic of South Africa, Canada, Egypt, Italy, and the United Kingdom.

MALAY, SINGAPORE TRADE IN COPRA AND COCONUT OIL, JANUARY-DECEMBER 1962-1963

Continent and country	Copra		Coconut oil	
	1962 ¹	1963 ¹	1962 ¹	1963 ¹
	Long tons	Long tons	Long tons	Long tons
EXPORTS				
North America -----	—	—	² 7,652	² 4,330
South America -----	—	—	1,728	779
Europe:				
Germany, West -----	299	—	—	1,602
Italy -----	675	2,037	2,594	3,229
Netherlands -----	300	2,493	685	304
Spain -----	496	650	104	460
Sweden -----	1,273	—	2,327	—
United Kingdom -----	200	—	1,773	2,122
Other -----	1,000	1,200	20	583
Total Europe -----	4,243	6,380	7,503	8,300
Africa:				
Egypt -----	—	—	1,035	2,552
Morocco -----	—	—	—	471
Mozambique -----	—	—	142	336
South Africa, Rep. of --	—	—	5,025	5,968
Other -----	—	—	3,795	2,194
Total -----	—	—	9,997	11,521
Asia:				
Aden -----	—	—	2,948	977
Burma -----	—	—	1,849	805
Cambodia -----	—	213	660	990
China, Mainland -----	—	—	600	1,700
China, Taiwan -----	700	2,559	1,091	231
Hong Kong -----	—	—	388	432
India -----	18,940	24,244	45	216
Indonesia -----	—	—	869	901
Iraq -----	2,702	2,350	—	1,200
Japan -----	6,005	4,617	—	52
Pakistan -----	—	—	1,446	1,356
Vietnam, North -----	—	—	1,033	1,231
Other -----	5,717	4,361	1,967	1,200
Total -----	34,064	38,344	12,896	11,291
Oceania -----	—	30	1,738	410
Grand total -----	38,307	44,754	41,514	36,631
IMPORTS				
Indonesia -----	79,175	57,645	44	721
Sabah -----	2,767	3,667	—	15
Sarawak -----	—	—	1,668	1,410
Other -----	575	1,232	51	—
Total -----	82,517	62,544	1,763	2,146
Net exports -----	44,210	17,790	39,751	34,485
Net exports of copra and coconut oil:				
Copra equivalent --	17,901	36,093	—	—
Oil equivalent -----	—	—	11,457	23,099

¹ Preliminary. ² All to Canada.

Compiled from official sources.

Exports of Copra From New Hebrides

Exports of copra during 1963 from New Hebrides totaled 35,054 long tons, a new record. Exports in 1962 and 1961 were 30,952 and 31,851 tons, respectively. Copra output and exports during 1964 may be curtailed owing to serious hurricane damage sustained in several islands during November 1963.

Argentina's Edible Oil Production Still Small

Argentina's production of edible oil in the current year that began April 1 is expected to approximate last year's relatively low level, based on the present estimates of the 1964 sunflower and peanut crops.

ARGENTINA'S EDIBLE VEGETABLE OILS, 1962-64¹

Item	1962 1,000 metric tons	1963 ² 1,000 metric tons	1964 ³ 1,000 metric tons
SUPPLY			
Stocks, April 1 -----	22	⁴ 8	⁴ 7
Production:			
Sunflower -----	210	130	120
Peanut -----	107	75	80
Cottonseed -----	17	24	20
Olive -----	7	8	10
Others ⁵ -----	9	9	10
Total production -----	350	246	240
Total supply -----	372	254	247
DISTRIBUTION			
Exports:			
Sunflower -----	12	1	—
Peanut -----	107	30	30
Cottonseed -----	13	1	1
Olive -----	10	8	9
Others ⁵ -----	—	—	—
Total exports -----	142	40	40
Domestic disappearance -----	200	207	200
Stocks March 31 -----	30	7	7
Total distribution -----	372	254	247

¹ Season beginning April 1. ² Partly estimated. ³ Estimated.
⁴ Crude oil only. ⁵ Includes rape, grape, corn, and other oils.

Production of sunflowerseed is estimated at 475,000 tons, only slightly larger than the 462,000 of last year, but that of peanuts is expected to be about 350,000 tons compared with 312,000 in 1963. Moreover, stocks of sunflowerseed on April 1 were only 5,000 tons against 58,000 a year earlier, and peanut stocks were negligible both this year and last.

Exportable supplies of edible oils are expected to be about 40,000 tons—equalling last year's relatively low shipments but less than one-third the volume exported in 1962-63.

Togo's Palm Kernel Exports Rise

Exports of palm kernels from the Republic of Togo during 1963 totaled 14,052 short tons compared with 11,464 in calendar 1962. Of the total, 10,798 tons were destined for France and 2,592 for the Netherlands.

Malay, Singapore Exports of Palm Oil Up in 1963

The Malay States and Singapore exported 113,548 long tons of palm oil during 1963 compared with 102,426 in 1962—an increase of 11 percent; imports rose to 7,048 tons from 5,444. Exports of palm kernels climbed to 17,782 tons from the 17,417 of 1962.

Suez Canal Shipments Drop Sharply in March

Northbound shipments of oil-bearing materials through the Suez Canal in March were one-fifth less than those of February (*Foreign Agriculture*, May 4) and one-tenth less than in March 1962.

Shipments during the first half of the current U.S.

marketing year were 1 percent below those of the same period last year, reflecting sharp declines in tonnages of cottonseed, peanuts, and "other" products.

SHIPMENTS OF OIL-BEARING MATERIALS NORTHBOUND THROUGH THE SUEZ CANAL

Item	March		October-March	
	1963 Metric tons	1964 Metric tons	1962-63 Metric tons	1963-64 Metric tons
Soybeans ¹ -----	6,948	6,354	36,480	40,891
Copra -----	52,367	73,303	358,725	445,771
Peanuts -----	30,706	17,560	162,799	114,302
Cottonseed -----	22,860	13,478	127,651	74,178
Flaxseed ² -----	8,701	4,256	20,759	21,142
Castorbeans -----	3,031	3,916	29,268	43,847
Palm kernels -----	5,177	4,779	15,382	28,445
Other -----	24,041	12,622	84,384	58,937
Total -----	153,831	136,268	835,448	827,513

¹ 1 metric ton of soybeans equals 36.743333 bu. ² 1 metric ton of flaxseed equals 39.367857 bu.

Suez Canal Authority, Cairo, Egypt.

Soybean shipments in March, at 233,000 bushels, declined by more than one-half from February and were slightly less than the March 1962 volume. However, the October-March total—1.5 million bushels—exceeded the previous year's by 12 percent.

NORTHBOUND SHIPMENTS OF SOYBEANS THROUGH THE SUEZ CANAL

Month and quarter	Year beginning October 1				
	1959 1,000 bu.	1960 1,000 bu.	1961 1,000 bu.	1962 1,000 bu.	1963 1,000 bu.
January -----	4,483	3,711	2,907	622	661
February -----	4,850	1,396	548	451	590
March -----	4,666	955	627	255	233
October-December -----	8,598	919	919	12	19
January-March -----	13,999	6,062	4,082	1,328	1,484
April-June -----	8,635	1,213	239	573	(¹)
July-September -----	2,756	2,756	327	1,585	(¹)
October-September ----	33,988	10,950	5,567	3,498	

¹ Not yet available.

Totals computed from unrounded numbers.

Suez Canal Authority, Cairo, Egypt.

Prices at Rhodesian Tobacco Auctions

The average price of 1964 crop flue-cured tobacco sold at Salisbury, Southern Rhodesia, for the week ended April 30 (the eighth week of sales) was equivalent to 31.7 U.S. cents per pound. Total sales through the eighth week amounted to 66.5 million pounds, at an average of 33.8 cents per pound. For the same period last season, they totaled 60.1 million pounds, at an average of 41.0 cents.

U.S. Tobacco Exports Down in March

U. S. exports of unmanufactured tobacco in March 1964, at 23.5 million pounds, were down 34.7 percent from the 36 million shipped abroad in the same month of 1963. Export value was \$19.1 million, compared with \$27.4 million, as earnings for all kinds of tobacco except Virginia fire-cured and cigar leaf were down.

For the first 3 months of calendar 1964, however, exports of unmanufactured tobacco increased by nearly a third from those of January-March last year. A substantial gain in flue-cured more than offset a drop in exports of most other kinds. In the first 9 months of fiscal 1964, exports totaled 427.0 million pounds, compared with

371.5 million in the same period of fiscal 1963—a gain of 15 percent.

U.S. exports of tobacco products in March 1964 were valued at \$10.9 million, compared with \$10.3 million in March 1963. In quantity, cigarette shipments rose to 2,107 million pieces from 2,043 million last year. Exports of cigars, packaged smoking tobacco, and smoking tobacco in bulk also increased.

U.S. EXPORTS OF UNMANUFACTURED TOBACCO (Export weight)

Type	March		January-March		Percent change from 1963
	1963	1964	1963	1964	
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	Percent
Flue-cured	23,800	17,213	53,183	76,949	+ 44.7
Burley	6,710	3,471	8,993	7,313	— 18.7
Dark-fired Ky.-Tenn.	2,354	348	3,164	3,061	— 3.3
Va. fire-cured ¹	282	566	2,207	1,642	— 25.6
Maryland	855	723	1,288	2,555	+ 98.4
Green River	177	—	177	132	— 25.4
One Sucker	23	—	43	24	— 44.2
Black Fat, etc.	803	269	1,072	630	— 41.2
Cigar wrapper	315	681	1,093	1,200	+ 9.8
Cigar binder	96	100	332	884	+166.3
Cigar filler	6	15	7	47	—
Other	606	143	1,879	2,300	+ 22.4
Total	36,027	23,529	73,438	96,737	+ 31.7
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Percent
Declared value	27.4	19.1	57.4	76.6	+ 33.4

¹ Includes sun-cured.
Bureau of the Census.

U.S. EXPORTS OF TOBACCO PRODUCTS

Product	March		January-March		Percent Change from 1963
	1963	1964	1963	1964	
Cigars and cheroots					Percent
1,000 pieces	1,871	5,192	5,884	10,499	+ 78.4
Cigarettes					
Million pieces	2,043	2,107	4,772	5,652	+ 18.4
Chewing and snuff					
1,000 pounds	53	22	156	90	— 42.3
Smoking tobacco in pkgs.					
1,000 pounds	83	192	176	338	+ 92.0
Smoking tobacco in bulk					
1,000 pounds	959	728	2,010	1,901	— 5.4
Total declared value					
Million dollars	10.3	10.9	23.7	28.5	+ 20.3

Bureau of the Census.

Dutch Output of Cigarettes Rises

Output of cigarettes in the Netherlands was up slightly in 1963, to 14,773 million pieces from 14,436 million in 1962. Production of cigars and cigarillos totaled 1,694 million pieces, compared with 1,586 million in the previous year. Combined output of other tobacco products, at 26.5 million pounds, was about the same as that for 1962.

Australia's Tobacco Imports Down Slightly

Australia's imports of unmanufactured tobacco in 1963 totaled 27.5 million pounds—a little below the 27.8 million imported in 1962 and 12.7 percent under the 31.5 million of 1961. Imports of U.S. leaf in 1963, at 18.9 million pounds, were down 2 percent from the 19.2 million purchased in 1962. Other major suppliers of tobacco to Australia in 1963 included the Republic of South Africa, with 4.2 million pounds; the Rhodesias-Nyasaland, with 3.2 million; and Canada, with 515,000.

AUSTRALIA'S IMPORTS OF UNMANUFACTURED TOBACCO

Country	1961	1962	1963 ¹
	1,000 pounds	1,000 pounds	1,000 pounds
United States	19,767	19,180	18,886
South Africa, Rep. of	1,903	2,347	4,170
Rhodesias-Nyasaland	8,742	4,655	3,243
Canada	584	978	515
Others	493	623	660
Total	31,489	27,783	27,474

¹ Preliminary; subject to revision.

Swiss Import More Tobacco

Swiss duty-paid imports of unmanufactured tobacco in 1963, at 38.2 million pounds, were 7.6 percent larger than the 35.5 million pounds in 1962. Larger imports from the United States, Greece, Turkey, and the Rhodesias-Nyasaland accounted for most of this increase.

Imports of U.S. tobacco rose to 17.7 million pounds from 16 million in 1962. The U.S. share of the Swiss market in 1963 was 46 percent compared with 45 percent in 1962.

SWITZERLAND'S DUTY-PAID IMPORTS OF UNMANUFACTURED TOBACCO

Origin	1961	1962	1963
	1,000 pounds	1,000 pounds	1,000 pounds
United States	14,826	15,955	17,699
Brazil	3,468	3,810	3,627
Greece	3,369	3,388	3,563
Turkey	2,297	2,306	2,496
Italy	2,330	2,194	2,141
Indonesia	1,534	1,664	1,574
Rhodesias-Nyasaland	710	1,175	1,543
Dominican Republic	763	862	882
USSR	582	719	752
Others	3,011	3,421	3,927
Total	32,890	35,494	38,204

Australia's Exports of Dairy Products Increase

Australia's shipments of dairy products in 1963 were 25 percent above those in 1962.

Butter exports rose 44 million pounds to 207 million, largely owing to an increase in the U.K. quota on imports from Australia. The quota for the marketing year ending March 31, 1964, was upped from the original allocation of 146 million pounds to 168 million to offset the reduction in deliveries from West European suppliers. Somewhat larger sales were also made to several minor markets, particularly ones in Asia. These gains have helped Australia clear the heavy stocks accumulated in 1962 and to dispose of its increased exportable surplus in 1963.

Cheese exports, at 68 million pounds, were up 18 percent from last year. Sales to the United Kingdom, limited by quota to 34 million pounds, were down 13 percent, but were more than offset by increased sales to other markets, among them Japan, the Philippine Republic, Italy, and the United States.

Exports of canned milk rose by 18 million pounds to 67 million pounds, about 90 percent of which was condensed milk. The largest sales were made to Malaysia, 28 million pounds, and Burma, 20 million. Among other markets were Thailand, the Philippine Republic, Mozambique, and British Borneo.

Sales of nonfat dry milk were 46 million pounds in both years. India was again the most important market, although

it took 5 million pounds less than the 15 million of a year ago. Purchases by the Philippine Republic increased from 1 million pounds to 8 million. Heavier shipments were also made to several other countries, including the United Kingdom, Jamaica, Mauritius, and Hong Kong. Sales to Japan, the Rhodesian Federation, and Malaysia dropped sharply below 1962.

Dried whole milk exports, at 13 million pounds, were down 18 percent. Slightly larger sales to the numerous secondary markets were more than offset by lower sales to the more important outlets, among them Ceylon and Malaysia.

Iranian Government Still Controls Sugar Trading

The Government of Iran has disclosed that, contrary to a previous announcement, its sugar monopoly organization will not be disbanded. This decision is said to be the result of the private sector's lack of enthusiasm for entering the sugar business.

The government is encouraging private companies to enter the sugar import trade, although it will not allow one or more importers to monopolize trade in this item. It will also maintain a stock of sugar in its warehouses, to prevent unwarranted price fluctuations.

Iran has increased sugar output in the past few years, and it now produces about 200,000 short tons annually. Import requirements, however, still exceed total production. Russia has been a primary source of supply.

China Builds Sugar Mill for Mali

A sugar mill financed by Communist China was inaugurated last month at Niono, in Mali. The mill has a capacity of 30 metric tons of sugarcane per day and is presently supplied by 37 acres of sugarcane grown on an experimental basis.

Although this mill is a small beginning, it is intended to be a prelude to a sugar factory with a capacity of 4,000 tons, supported by 2,700 acres of sugarcane to be grown at Dougabougou. The Chinese assumed the local costs of the project as well as paying for the equipment.

Cameroon May Expand Sugar Industry

It has been reported that on April 16, 1964, the Cameroonian Minister of National Economy signed a protocol for the creation of the Société Sucrière du Cameroun, a company which is to establish a sugar factory in Cameroon. This factory, which will have a minimum annual production capacity of 11,000 short tons of refined sugar, is to be located about 50 miles east of Yaounde and to begin operation by 1967. It was stated that the factory would assist the cocoa industry by producing chocolate.

Germany Sets Import Tender for Canned Fruit

The West German Government has announced an import tender for canned fruit, without sugar added, in containers with a content weighing less than 5 kilograms but with a total weight of 5 kilograms or more. Under this tender, imports are allowed from all except the East Bloc countries.

Applications for import licenses may be made until the exhaustion of the undisclosed value limit, but not

later than December 30, 1964. The license will be valid until December 31, 1964. The first day of customs clearance is July 1, 1964.

This tender, a continuation of a similar semiannual tender expiring on June 30, 1964, covers all canned fruit not liberalized. However, it is of limited value to the United States because it excludes consumer-size cans of a total weight of less than 5 kilograms.

U.S. Cotton Exports Continue Strong

U.S. exports of all types of cotton amounted to 3,795,000 running bales in the first 8 months (August-March) of the current season. This figure is 64 percent above the 2,314,000 bales exported in the same period of 1962-63 and 8 percent above average shipments of 3,506,000 in this period of the previous 5 seasons.

Exports in March were 490,000 bales, compared with 570,000 in February and 440,000 in March of 1963.

Registrations for export in the 1963-64 season under the competitive bid sales program through May 4—including sales of "irregular" cotton, payment-in-kind export registrations, and sales of 1963 crop—totaled 4,735,000 bales compared with payment-in-kind registrations of 2,975,000 bales a year ago.

U.S. EXPORTS OF COTTON

Destination	Average 1955-59	Year beginning August 1			
		1961	1962	1962	1963
	1,000 run- ning bales	1,000 run- ning bales	1,000 run- ning bales	1,000 run- ning bales	1,000 run- ning bales
Austria	33	33	13	9	13
Belgium & Lux.	160	100	72	59	116
Denmark	17	13	13	9	9
Finland	22	21	13	11	9
France	360	300	180	132	297
Germany, West	475	204	101	82	349
Italy	416	376	192	157	306
Netherlands	124	106	71	62	107
Norway	10	13	10	7	11
Poland & Danzig	85	139	62	7	51
Portugal	28	18	7	6	19
Spain	171	155	(¹)	(¹)	10
Sweden	75	99	56	44	73
Switzerland	64	75	37	33	79
United Kingdom	525	270	139	112	202
Yugoslavia	108	175	113	110	4
Other Europe	17	9	3	5	29
Total	2,690	2,106	1,082	845	1,684
Australia	54	64	41	25	59
Canada	217	397	271	181	264
Chile	35	12	24	14	1
Colombia	33	1	1	1	8
Cuba	27	0	0	0	0
Ethiopia	4	13	15	14	8
Hong Kong	134	104	79	57	131
India	184	215	198	98	152
Indonesia	30	46	51	27	20
Israel	16	10	7	5	12
Japan	1,154	1,028	895	645	912
Korea, Rep. of	205	300	236	130	190
Morocco	10	14	8	5	10
Pakistan	14	39	8	(¹)	2
Philippines	64	142	108	77	83
South Africa, Rep. of	26	52	19	12	23
Taiwan (Formosa)	153	256	223	120	122
Thailand	4	30	22	17	28
Uruguay	15	11	0	0	(¹)
Venezuela	2	16	5	4	11
Vietnam ²	2	30	36	29	48
Other countries	27	27	22	8	27
Total	5,100	4,913	3,351	2,314	3,795

¹ Less than 500 bales. ² Indochina prior to 1958. Includes Laos and Cambodia.

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U.S. Green Coffee Inventories Continue High

Inventories of green coffee in the United States totaled 4,319,000 bags (132.3 lb.) on March 31, 1964. This is 9 percent below inventories of 4,726,000 bags held on December 31, 1963, but 23 percent above end-of-March stocks on hand a year ago. Of this year's end-of-March total, roasting firms held 71 percent.

Coffee roastings, including roastings for soluble use, rose to a record 6,722,000 bags during the first quarter of 1964, up 7 percent from fourth-quarter roastings in 1963 and 11 percent from roastings during the first 3 months of 1963. Roastings for soluble use—1,133,000 bags—were 5 percent above the preceding quarter's.

Imports of green coffee during January-March 1964 totaled 6,442,000 bags, a decrease of 368,000 bags from imports in the preceding 3 months but 806,000 over those in the first quarter of 1963.

WORLD CROPS AND MARKETS INDEX

Cotton

- 15 U.S. Cotton Exports Continue Strong

Dairy and Poultry Products

- 14 Australia's Exports of Dairy Products Increase

Fats, Oilseeds, and Oils

- 11 South African Oilseed Production Declines
- 12 Argentine Olive Oil Exports Decline
- 12 Malay, Singapore Exports of Copra, Coconut Oil

- 12 Exports of Copra from New Hebrides
- 13 Argentina's Edible Oil Production Still Small
- 13 Togo's Palm Kernel Exports Rise
- 13 Malay, Singapore Exports of Palm Oil Up in 1963
- 13 Suez Canal Shipments Drop Sharply in March

Fruits, Vegetables, and Nuts

- 15 Germany Sets Import Tender for Canned Fruit

Grains, Feeds, Pulses, and Seeds

- 11 Australia, U.K. Agree on Marketing of Flour
- 11 Abundant Rainfall in Canadian Prairie Provinces
- 11 Argentina Expects Good Outturn of Grain
- 11 Spain Triples Feed Grain Imports in 1963
- 11 Mozambique Producing More Rice for Export

Sugar, Fibers, and Tropical Products

- 15 Iranian Government Still Controls Sugar Trading
- 15 China Builds Sugar Mill for Mali
- 15 Cameroon May Expand Sugar Industry
- 16 U.S. Green Coffee Inventories Continue High

Tobacco

- 13 Prices at Rhodesian Tobacco Auctions
- 13 U.S. Tobacco Exports Down in March
- 14 Dutch Output of Cigarettes Rises
- 14 Australia's Tobacco Imports Down Slightly
- 14 Swiss Import More Tobacco